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Ontario. Health dept. Medical
services insurance division
[General publications]
[G-2] The history of OMSIP



ONTARIO
DEPARTMENT OF HEALTH

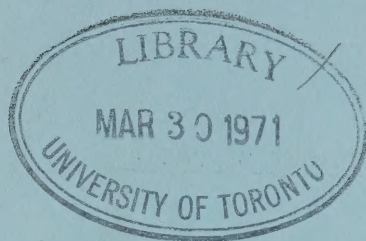
THE HISTORY OF OMSIP

Establishment of the Ontario Medical Services Insurance Plan (or OMSIP for short) in 1966, was another large step in the Ontario Government's continuing programme to provide for the total health needs of the residents of the Province.

"The health of our people has always been of concern to Government from our earliest days," says Health Minister Dr. Matthew B. Dymond.

Historically, Ontario assumed certain responsibilities for health on the day the Province was born. A mental hospital existed then in Toronto and its operation was immediately taken over by the first Government.

Later, under a Provincial Board of Health, the Government assumed responsibility for control measures when the life of the people was seriously threatened by epidemics of infectious diseases.



This was followed by Government participation in school health programmes and in the treatment and prevention of tuberculosis.

The expansion of Government involvement and the increasing need for additional health services led to the establishment of the Department of Health for Ontario as a separate department of Government in 1923.

In the 1930's the then Government began direct subsidization of general medical care for those who were then among the large number of unemployed. This programme was later expanded to provide certain health care services to all residents who were in receipt of social assistance.

But the real beginning of Government participation in an orderly and steadily progressive health care programme came in 1947.

In that year, after an extensive study of health needs of people in Ontario, CAPITAL GRANTS were first provided for the construction of HOSPITALS to provide active treatment, convalescent and chronic care.

However, the greatest single step forward was taken by the Government of this Province on January 1, 1959 when the ONTARIO HOSPITAL CARE INSURANCE PROGRAMME came into operation.

Today, more than 99 percent of the people of Ontario are insured against hospital costs under the Ontario Hospital Services Commission programme.

"This programme was founded on certain principles which have proven sound, workable and successful -- principles from which we have never departed," declared Dr. Dymond.

Within weeks of the introduction of the hospital insurance programme in 1959, Dr. Dymond requested Mr. H.I. MacKillop, now a director of OMSIP, but at that time serving with the Department of Economics and Development, to undertake feasibility studies of future health care requirements.

THESE STUDIES CLEARLY REVEALED that hospital care was the costliest item in health spending, followed by physicians' services, dental services, other health services in general and prescription drug services in particular. They pointed up the growing desirability of Government involvement in medical services insurance.

OUT OF THESE STUDIES came a statement of Government policy with respect to medical services insurance. It has been stated simply, and has been closely adhered to. It is as follows:

COMPREHENSIVE MEDICAL SERVICES
INSURANCE was to be made available
to ALL residents of Ontario, on an
individual basis, regardless of
age, STATE OF HEALTH, or FINANCIAL
MEANS.

INSURANCE COVERAGE WOULD BE guaranteed NON-CANCELLABLE and
RENEWABLE to the insured person.

FREEDOM OF CHOICE OF doctor would be left to all subscribers.

ESSENTIALLY, ALL PHYSICIAN services would be insured.

DOCTORS WOULD BE ENABLED TO practice "in or outside" of the
plan with no penalty to subscriber.

SERVICES WOULD BE PAID at the rate of 90% of the Ontario
Medical Association Fee Schedule.

INSURANCE WOULD BE provided by Government:

1. FREE OF CHARGE to all in receipt of
 - (a) Social Assistance.
 - (b) Zero Taxable Income.



2. 50% SUBSIDY TO SINGLE PERSONS AND MARRIED COUPLES in low income groups (up to \$500. and \$1,000. taxable income respectively.)

3. 60% SUBSIDY TO FAMILY GROUPS in low income groups, (up to \$1,300. taxable income.

THE SAME STANDARD CONTRACT would be available at reasonable costs to ANY AND ALL OTHER INDIVIDUALS wishing to buy it.

THE PROGRAMME IS ADMINISTERED by the Department of Health through the Medical Services Insurance Division.

THE MEDICAL SERVICES INSURANCE ACT was proclaimed on February 18, 1966, and OMSIP was officially born.

ON APRIL 1, 1966, DESIGNATED SOCIAL assistance recipients and their eligible dependants received automatic coverage. Thereafter, coverage commenced on July 1, 1966 for all those persons who had applied voluntarily for this form of protection during the open enrolment period which ran from March 1, 1966, to May 16, 1966.

AN INDICATION OF THE MAGNITUDE of the task confronting the Division at the commencement of the plan, is revealed by the fact that by the end of 1966, an estimated 1.5 million persons enjoyed OMSIP protection and this number is expected to increase to just over 2 million by the end of 1967.

EARLY IN THE LIFE OF THE plan, one independent insurance company ceased business and advised all its subscribers to join OMSIP.

VERY RECENTLY, THE LARGEST service plan in Ontario announced it would discontinue coverage by individual contract.

THIS CARRIER IS NOW ARRANGING WITH OMSIP the transfer of all its individual and pay-direct contracts.

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